# GOVERNMENT OF INDIA
# COAL
# LOK SABHA

UNSTARRED QUESTION NO:2099
ANSWERED ON:10.03.2016
Utilization of Revenue earned from Coal
Maurya Shri Keshav Prasad

**Will the Minister of COAL be pleased to state:**

(a) the effects on the Gross Domestic Product of the States where Coal is the major natural resource;
(b) whether revenue earned through coal contribute in the development of the States;
(c) if so, the State-wise details thereof;
(d) if not, whether the Government proposes to formulate any scheme to utilize the revenue earned from the Coal or the development of that State; and
(e) if so, the details thereof?

## Answer

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF COAL, POWER AND NEW AND RENEWABLE ENERGY

(SHRI PIYUSH GOYAL)

(a)to(e): The production of coal in the States is carried out through public as well as private sector companies. The value of production of coal, to the extent of value addition, get reflected or included in the States Domestic Product. Further, the coal companies pay wages, salaries and other facilities to workers located in the State whichcontributes to the economic development of the States. The coal companies also pay royalty on coal production at the prescribed rate per tonne,which goes as revenue to the respective State Government. Further, State Governments also levy various taxes on coal which also contributes to their revenue. State-wise details of revenue earned through coal is not maintained centrally.
In addition, the coal companies are also required to spend on the Corporate Social Responsibility (CSR) activities in the States where coal companies are in operation. As per Department of Public Enterprises (DPE) guidelines effective from 1.4.2014 and Schedule VII of New Companies Act 2013, activities like Township Development, Infrastructure Development, Skill Development, Social Empowerment, Water Supply, Health & Sanitation, Sports & culture and Education facilities etc. are carried out under the CSR activities by the coal companies.80% of the budgeted amount for CSR activities is spent within a radius of 25 Km of the Project Site/Mines area /Company HQ and the balance 20% is spent within the State in which the companies are operating. Coal India Limited, being the holding, executes CSR activities on All India basis.
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